

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

GENERAL ADJUSTMENTS IN)
ELECTRIC RATES OF) CASE NO. 8734
KENTUCKY POWER COMPANY)

O R D E R

IT IS ORDERED that Kentucky Power Company ("Kentucky Power") shall file an original and 12 copies of the following information with the Commission by no later than two weeks after its application is filed. Each copy of the data requested should be placed in a bound volume with each item tabbed and each volume should include an index of the contents therein. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible. Where information requested herein has been provided along with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. Capital structure at the end of each of the periods as shown in Format 1.

2. a. Provide a list of all outstanding issues of long term debt as of end of the latest calendar year and the end of the test period together with the related information as shown in Format 2a. A separate schedule is to be provided for each time period. Report in Column (k) of Format 2a, Schedule 2 the actual dollar amount of debt cost for the test year. Compute the actual and annualized composite debt cost rates and report them in Column (j) of Format 2 a, Schedule 2.

b. Provide an analysis of end of period short term debt and a calculation of the average and end of period cost rates as shown in Format 2b.

3. Provide a list of all outstanding issues of preferred stock as of end of the latest calendar year and the end of the test period as shown in Format 3. A separate schedule is to be provided for each time period. Report in Column (h) of Format 3, Schedule 2, the actual dollar amount of preferred stock cost accrued and/or paid during the test year. Compute the actual and annualized preferred stock cost rate and report the results in Column (h) of Format 3, Schedule 2.

4. a. Provide a listing of all issues of common stock in the primary market during the most recent 10 year period as shown in Format 4a.

b. Provide the common stock information on a quarterly and yearly basis for the most recent 5 calendar years available, and through the latest available quarter as shown in Format 4b.

c. Provide monthly market price figures for common stock for each month during the most recent 5 year period and for the months through the date the application is filed as shown in Format 4c. Provide a listing of all stock splits by date and type.

5. Provide a computation of fixed charge coverage ratios for the 10 most recent calendar years and for the test year as shown in Format 5.

6. a. A schedule of the present and proposed rates, charges, terms and conditions, and service rates and regulations which the applicant seeks to change, shown in comparative form.

b. A detailed analysis of customers' bills, adjusted to actual usage and in such detail that the revenues from the present and proposed rates can be readily determined.

c. A schedule of test year revenues for each rate schedule per book rates, present rates annualized, and proposed rates annualized.

d. A schedule setting forth the effect upon average consumer bills.

e. A statement setting forth estimates of the effect that the new rate or rates will have upon the revenues of the utility, the total amount of money resulting from the increase or decrease and the percentage increase or decrease.

f. A schedule showing by customer class (i.e., residential, commercial, industrial, etc.) the amount and percent of any proposed increase or decrease in revenue distributed to

each class. This schedule is to be accompanied by a statement which explains in detail the methodology or bases used to allocate the requested increase or decrease in revenue to each of the respective customer classes.

g. A schedule showing how the increase or decrease in (f) above was further distributed to each rate charge (i.e., customer or facility charge, KWH charge, etc.). This schedule is to be accompanied by a statement which explains, in detail, the methodology or bases used to allocate the increase or decrease.

h. A statement showing by cross-outs and italicized inserts all proposed changes in rates, charges, terms and conditions, and service rules and regulations for each rate or charge. Copy of current tariff may be used. Item 6 should be provided where not previously included in the record.

7. a. In comparative form, a total company income statement, a statement of changes in financial position, and a balance sheet for the test year and the 12-month period immediately preceding the test year.

b. A comparative income statement (show net income) for Kentucky Power's Kentucky retail operations for the test year and the 12-month period immediately preceding the test year.

8. A trial balance as of the last day of the test year (all income statement accounts should show activity for 12 months) showing account number, account title, and amount. Clearly identify accounts maintained on a total company basis and accounts maintained on a jurisdictional basis (indicate jurisdiction). Show the balance in each control and all underlying subaccounts per company books.

9. The balance in each current asset and each current liability account and subaccount included in the applicant's chart of accounts by months for the test year. Additionally, show total current assets, total current liabilities and the net current position by months, annually, and the 13-month average for the test year. Provide a reconciliation of current assets, current liabilities and net current position provided in response to the above with the current assets and current liabilities as shown on the balance sheet for each month of the test year.

10. List each general office account (asset, reserve, and expense accounts) covering the 12 months of the test year. Show the amount allocated to each jurisdiction and a calculation of the factor used to allocate each amount.

11. The following monthly account balances and a calculation of the average (13-month) account balances for the test year:

- a. Plant in service (Account 101)
- b. Plant purchased or sold (Account 102)
- c. Property held for future use (Account 105)
- d. Construction work in progress (Account 107)
- e. Completed construction not classified (Account 106)
- f. Depreciation reserve (Account 108)
- g. Plant acquisition adjustment (Account 114)
- h. Amortization of utility plant acquisition adjustment (Account 115)
- i. Materials and supplies (include all accounts and subaccounts)

- j. Balance in accounts payable applicable to each account in i above. (If actual is indeterminable, give reasonable estimate.)
- k. Unamortized investment credit - Pre-Revenue Act of 1971.
- l. Unamortized investment credit - Revenue Act of 1971
- m. Accumulated deferred income taxes
- n. A summary of customer deposits as shown in Format 11n to this request
- o. Computation and development of minimum cash requirements
- p. Balance in accounts payable applicable to amounts included in utility plant in service (If actual is indeterminable, give reasonable estimate)
- q. Balance in accounts payable applicable to amounts included in plant under construction (If actual is indeterminable, give reasonable estimate)
- r. Short-term borrowings
- s. Interest on short-term borrowings (expense)

12. The cash account balances at the beginning of the test year and at the end of each month during the test year for total company.

13. Provide the following information for each item of electric property held for future use at the end of the test year:

- a. Description of property
- b. Location
- c. Date purchased
- d. Cost
- e. Estimated date to be placed in service

f. Brief description of intended use

g. Current status of each project

14. Schedules in comparative form showing by months for the test year and the year preceding the test year the total company balance in each electric plant and reserve account or subaccount included in the applicant's chart of accounts as shown in Format 14.

15. Provide the journal entries relating to the purchase of electric utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise since the inception of the Company. Also, a schedule showing the calculation of the acquisition adjustment at the date of purchase of each item of utility plant, the amortization period, and the unamortized balance at the end of the test year.

16. The detailed workpapers showing calculations supporting all accounting, pro forma, end of period, and proposed rate adjustments in the rate application to revenue, expense, investment and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment including the reason why each adjustment is required. Explain in detail all components used in each calculation including the methodology employed and all assumptions applied in the derivation of each adjustment. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

17. a. A schedule showing a comparison of the balance in the Kentucky retail revenue accounts for each month of the test year to the same month of the preceding year for each revenue

account or subaccount included in Kentucky Power's chart of accounts. Include appropriate footnotes to show the month each rate increase was granted and the first month the full increase was recorded in the accounts. See Format 14.

b. A schedule in comparative form showing by months and annually for the test year and the year preceding the test year the balance in each total company retail revenue account or subaccount in Kentucky Power's chart of accounts that requires allocation to the Kentucky retail jurisdiction and the amount applicable to the Kentucky retail jurisdiction. See Format 14.

18. a. A schedule showing a comparison of the balance in each total company electric operating expense account for each month of the test year to the same month of the preceding year for each account or subaccount included in Kentucky Power's chart of accounts. See Format 14.

b. A schedule in comparative form showing the total company electric operating expense account balances for the test year and each of the 5 years preceding the test year for each account or subaccount included in Kentucky Power's annual report (FERC Form No. 1, Pages 320-323). Show the percentage of increase of each year over the prior year.

c. A schedule of total company salaries and wages for the test year and each of the five calendar years preceding the test year as shown in Format 18c attached. For each time period show the amount of overtime pay.

d. A schedule showing the percentage of increase in salaries and wages for both union and non-union employees for the test year and the five preceding calendar years.

19. The following tax data for the test year for total company electric, Kentucky retail, other retail jurisdiction, and FERC wholesale:

a. Income taxes:

- (1) Federal operating income taxes deferred - accelerated tax depreciation
- (2) Federal operating income taxes deferred - other (explain)
- (3) Federal income taxes - operating
- (4) Income credits resulting from prior deferrals of Federal income taxes
- (5) Investment tax credit net
 - (i) Investment credit realized
 - (ii) Investment credit amortized - Pre-Revenue Act of 1971
 - (iii) Investment credit amortized - Revenue Act of 1971
- (6) Provide the information in 13a (1) through 13a (4) for state income taxes
- (7) Reconciliation of book to taxable income as shown in Format 19a (7) attached and a calculation of the book Federal and State income tax expense for the test year using book taxable income as the starting point
- (8) A copy of Federal and State income tax returns for the taxable year ended during the test year including supporting schedules
- (9) Schedule of franchise fees paid to cities, towns or municipalities during the test year including the basis of these fees

b. An analysis of Kentucky other operating taxes as shown in Format 19b, attached.

20. A schedule of total company net income per 1,000 KWH sold per company books for the test year and the 5 calendar years

preceding the test year. This data should be provided as shown in Format 20 attached.

21. The comparative operating statistics as shown in Format 21 attached.

22. A schedule of total company average electric plant in service per 1,000 KWH sold by account per company books for the test year and the 5 calendar years preceding the test year. This data should be provided as shown in Format 22 attached.

23. A statement of electric plant in service per company books for the test year. This data should be presented as shown in Format 23 attached.

24. a. Provide a detailed analysis of all (jurisdictional) charges booked during the test period for advertising expenditures. The analysis should include a complete breakdown of Account 913 - Advertising Expenses, as shown in Format 24a attached and further should show any other advertising expenditures included in any other expense accounts. The analysis should be specific as to the purpose of the expenditure and the expected benefit to be derived.

b. Provide an analysis of account 930 - Miscellaneous General Expenses for the test period. This analysis should show a complete breakdown of this account as shown in attached Format 24b and further provide all detailed working papers supporting this analysis. As a minimum, the work papers should show the date, vendor, reference (i.e. voucher no., etc.), dollar amount and brief description of each expenditure. Detailed analysis is

not required for amounts of less than \$500 provided the items are grouped by classes as shown in Format 24b attached.

c. Provide an analysis of Account 426 - Other Income Deductions for the test period. This analysis should show a complete breakdown of this account as shown in attached Format 24c, and further provide all detailed working papers supporting this analysis. As a minimum the work papers should show the date, vendor, reference (i.e., voucher no, etc.), dollar amount and brief description of each expenditure. Detailed analysis is not required for amounts of less than \$500 provided the items are grouped by classes as shown in Format 24c attached.

25. A detailed analysis of contributions for charitable and political purposes (in cash or services), if any, recorded in accounts other than Account 426. This analysis should indicate the amount of expenditure, the recipient of the contribution and the specific account charged.

26. A statement describing Kentucky Power's lobbying activities and a schedule showing the name of the individual, his salary, his organizations or trade associations involved in and all company-paid or reimbursed expenses or allowances and the account charged for all personnel for whom a principal function is that of lobbying, whether it be lobbying on the local, state, or national level.

27. A schedule showing the test year and the year preceding the test year with each year shown separately the following

information regarding Kentucky Power's investments in subsidiaries and joint ventures:

- a. Name of subsidiary or joint venture
- b. Date of initial investment
- c. Amount and type of investment made for each of the 2 years included in this report.
- d. Balance sheet and income statement for the test year and the year preceding the test year. Where only internal statements are prepared, furnish copies of these.
- e. Show on a separate schedule all dividends or income of any type received by Kentucky Power from its subsidiaries or joint ventures for each of the 2 year report periods and indicate how this income is reflected in the reports filed with the Commission and the stockholder reports.
- f. Name of officers of each of the subsidiaries or joint ventures, officer's annual compensation, and portion of compensation charged to the subsidiary or joint venture. Also, indicate the position each officer holds with Kentucky Power and the compensation received from Kentucky Power.

28. Provide the following information with regard to Kentucky Power's Other Investments (Account 124) in Franklin Real Estate Company and Indiana Franklin Realty, Inc.:

- a. The nature of each investment
- b. The corporate purpose and functions of each entity listed above.
- c. Any ownership relationship, common employees, or directors or any other affiliation existing among the above listed entities and any member of the A.E.P. system.
- d. A list of any purchases of goods or services from these companies by Kentucky Power during

the test period including a full description of the purchase, the dollar amount, the account or accounts involved and the expected benefit to the Kentucky ratepayer.

- e. An analysis of these investments presented as shown in Format 28(e) attached.

29. a. A schedule showing by month the dollar amount of fuel purchased from affiliated and nonaffiliated suppliers for the test year.

b. A calculation of the dollar amount paid for fuel purchased each month from affiliated suppliers for the test year.

c. A calculation showing the average (13 month) number of days' supply of coal on hand for the test year and each of the five years preceding the test year (include a copy of all workpapers). Also include a written detailed explanation of factors considered in determining what constitutes an average day's supply of coal.

30. Provide the following information with regard to uncollectible accounts for the test year and 5 preceding calendar years (taxable year acceptable) for total company:

- a. Reserve account balance at the beginning of the year
- b. Charges to reserve account (accounts charged off)
- c. Credits to reserve account
- d. Current year provision
- e. Reserve account balance at the end of the year
- f. Percent of provision to total revenue

31. a. A listing of non-utility property and property taxes and account where amounts are recorded.

b. A schedule for all non-utility property giving a description, the date purchased and the cost.

32. Rates of return in Format 32 attached.

33. Employee data in Format 33 attached.

34. The jurisdictional allocation study for the test year including all applicable work papers.

35. A list of generation units completed or under construction during the test year. This list should include the capacity, actual or estimated total cost, type of fuel to be utilized, and the in service or estimated completion date for each unit.

36. Actual fuel costs for the test year. The costs should be given in total dollars, cents per KWH generated, and cents per MBTU for each type fuel. Data should also be supplied on the actual amounts of each type of fuel used, the numbers of BTU's obtained from each type of fuel, and the KWH generated by each type of fuel.

37. Provide a detailed analysis of the retained earnings account for the test period and the 12 month period immediately preceding the test period.

38. Provide a detailed analysis of expenses incurred during the test year for professional services, as shown in Format 38, and all working papers supporting the analysis. At minimum, the working papers should show the payee, dollar amount, reference (i.e., voucher no., etc.), account charged, hourly rates and time charged to the company according to each invoice, and a description of the service provided.

39. Alternative yearly load forecasts for the 10 years succeeding the test year, summer and winter peaks, based on:

- a. Present forecasts as anticipated by the Company.
- b. Reasonable assumptions reflecting possible changes in the availability of alternative energy sources (i.e., natural gas, fuel oil, solar power, etc.) actual and projected.
- c. If a current 10 year forecast is not available, provide the most recent forecast and state the reason a 10 year forecast is not available.

40. Purchased power costs. These costs should be separated into demand and energy costs. The actual and estimated KW demands and KWH purchased should be included. Indicate any estimates used and explain in detail.

41. Provide an annualization of the operation of any generating units declared commercial during the test year using the Company's estimate of the annual cost of operation of these units.

42. A listing of present or proposed research efforts dealing with the pricing of electricity and the current status of such efforts.

43. For the test year submit the following data:

- a. Coincident peak demand for each rate schedule at the time of the summer and winter peaks.
- b. KWH sales and number of bills for each residential rate schedule during the months of the winter peaks.

- c. System peak demand for summer and winter seasons.
- d. Non-coincident and class peak demands for each rate schedule for the summer and winter seasons.

44. Provide a schedule reflecting the salaries and other compensation of each executive officer for the test year and the preceding 5 calendar years. Include the percentage annual increase and the effective date of each increase.

45. Provide an analysis of the Company's expenses for research and development activities for the test year and the 5 preceding calendar years. For the test year include the following details:

- a. Basis of fees paid to research organizations and the company's portion of the total revenue of each organization. Where the contribution is monthly, provide the current rate and the effective date.

- b. Details of the research activities conducted by each organization.

- c. Details of services and other benefits provided to the company by each organization during the test year and the calendar year 1981.

- d. Total expenditures of each organization during 1981 including the basic nature of costs incurred by the organization.

e. Details of expected benefits to the company.

46. Provide the name and address of each member of the Board of Directors of Kentucky Power along with his or her personal mailing address. If, during the course of these proceedings, any changes occur in board membership, provide an update to this request.

Done at Frankfort, Kentucky, this 23rd day of February, 1983.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary

Comparative Capital Structures (Excluding JMITC)

For the Periods as Shown

"000 Omitted"

[illegible]

Comparative Capital Structures (Excluding JDITC)

For the Periods as Shown

"000 Onited"

[illegible]

COMPANY NAME

Case No. 8734

Comparative Capital Structures (Excluding JDITC)

For the Periods as Shown

"000 Omitted"

Line No.	Type of Capital	Latest Available Quarter	
		Amount	Ratio
1.	Long Term Debt		
2.	Short Term Debt		
3.	Preferred & Preference Stock		
4.	Common Equity		
5.	Other (Itemize by Type)		
6.	Total Capitalization		

Instructions:

1. Provide a calculation of the average test year data as shown in Schedule 2 of this format.
2. If the applicant is a member of an affiliated group, the above data is to be provided for the parent company and the system consolidated.

COMPANY NAME

Case No. 8734

Calculation of Average Test Period Capital Structure
12 Months Ended

"000 Omitted"

Line No.	Item (a)	Total Capital (b)	Long-Term Debt (c)	Short-Term Debt (d)	Preferred Stock (e)	Common Stock (f)	Retained Earnings (g)	Total Common Equity (h)
1.	Balance beginning of test year							
2.	1st Month							
3.	2nd Month							
4.	3rd Month							
5.	4th Month							
6.	5th Month							
7.	6th Month							
8.	7th Month							
9.	8th Month							
10.	9th Month							
11.	10th Month							
12.	11th Month							
13.	12th Month							
14.	Total (L1 through L13)							
15.	Average balance (L14 ÷ 13)							
16.	Average capitalization ratios							
17.	End-of-period capitalization ratios							

Instructions:

- If applicable, provide an additional schedule in the above format excluding common equity in subsidiaries from the total company capital structure. Show the amount of common equity excluded.
- Include premium on class of stock.

COMPANY NAME

Case No. 8136

Schedule of Outstanding Long-Term Debt
For the Calendar Year Ended December 31

Line No.	Type of Debt Issue (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Coupon Interest Rate (e)	Cost Rate At Issue (f)	Cost Rate to Maturity (g)	Moody Rating At Time of Issue (h)	Type of Obligation (i)	Annualized Cost Col. (d) x Col. (f) (j)
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Total Long-Term Debt and
Annualized Cost

Annualized Cost Rate (Total
Col. (j) ÷ Total Col. (d))

- 1 Nominal Rate
- 2 Nominal Rate Plus Discount or Premium Amortization
- 3 Nominal Rate Plus Discount or Premium Amortization and Issuance Cost
- 4 Standard and Poor's, Moody, etc.

COMPANY NAME

Case No. 8734

Schedule of Outstanding Long-Term Debt
For the Test Year Ended

Line No.	Type of Debt Issue (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Coupon Interest Rate (e)	Cost Rate At Issue (f)	Cost Rate to Maturity (g)	Bond Rating At Time of Issue (h)	Type of Obligation (i)	Annualized Cost Col. (d) x Col. (g) (j)	Actual Test Year Interest Cost (k)
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Total Long-Term Debt
and Annualized Cost

Annualized Cost Rate (Total
Col. (j) ÷ Total Col. (d))

Actual Long-Term Debt Cost
Rate (Total Col. k ÷ Total
Reported in Col. (c) Line 15
of Format 1, Schedule 2)

- 1 Nominal Rate
- 2 Nominal Rate Plus Discount or Premium Amortization
- 3 Nominal Rate Plus Discount or Premium Amortization and Issuance Cost
- 4 Standard and Poor's, Moody, etc.
- 5 Sum of Accrued Interest Amortization of Discount or Premium and Issuance Cost

Case No. 8734

Long-Term Debt and Preferred Stock Cost Rates

<u>Annualized Cost Rate</u>	
<u>Long-Term Debt</u>	<u>Preferred Stock</u>

Parent Company:

Test Year

Latest Calendar year

System Consolidated:

Test Year

Latest Calendar year

Instruction:

1. This schedule is to be completed only by applicants that are members of an affiliated group.
2. Detailed workpapers showing calculation of the above cost rates are to be available on request.

COMPANY NAME

Case No. 8734

Schedule of Short-Term Debt
For the Test Year Ended _____

Line No.	Type of Debt Instrument (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Nominal Interest Rate (e)	Effective Interest Cost Rate (f)	Annualized Interest Cost Col.(d) x Col.(f) (g)
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Total Short-Term Debt

Annual Cost Rate (Total Col.(g) + Total Col.(d))

Actual Interest Paid or Accrued on Short Term
Debt during the Test Year (Report in Col.(g) of this schedule)

Average Short-Term Debt - Format 1, Schedule 2
Line 15 Col.(d) (Report in Col.(g) of this schedule)

Test Year Interest Cost Rate (Actual Interest +
Average Short-Term Debt) (Report in Col.(f) of this schedule)

Instructions:

1. In all instances where the Effective Interest Cost Rate is different from the Nominal Interest Rate provide a calculation of the Effective Interest Cost Rate in sufficient detail to show the items of costs that cause the difference.

COMPANY NAME

**Schedule of Outstanding Shares of Preferred Stock
For the Test Year Ended _____**

Total
Annualized Cost Rate (Total
Col.(g) + Total Col.(d))

Instruction:
1. If the applicant has issued no preferred stock, this schedule may be omitted.

COMPANY NAME

Case No. B734

Schedule of Outstanding Shares of Preferred Stock
for the Test Year Ended _____

Line No.	Description of Issue (a)	Date of Issue (b)	Amount Sold (c)	Amount Outstanding (d)	Dividend Rate (e)	Cost Rate at Issue (f)	Annualized Cost Col.(f) x Col.(d) (g)	Convertible Features (h)
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Total

Annualized Cost Rate (Total
Col.(g) ÷ Total Col.(d))

Instruction:
1. If the applicant has issued no preferred stock, this schedule may be omitted.

Case No. 8734

**Schedule of Outstanding Shares of Preferred Stock
For the Test Year Ended _____**

[illegible]

Total

Annualized Cost Rate (Total Col.(g) ÷ Total Col.(d))

Actual Test Year Cost Rate (Total Col.(b) + Total Reported in Col.(e), Line 15 of Format 1, Schedule 2)

Instruction:

Instruction:
1. If the applicant has issued no preferred stock, this schedule may be omitted.

COMPANY NAME

Case No. 8734

Schedule of Common Stock Issues

For the 10 Year Period Ended _____

Date of Issue Announcement Registration	Number of Shares Issued	Price Per Share to Public	Price Per Share (Net to Company)	Book Value Per Share At Date of Issue	Selling Exps. As % of Gross Issue Amount	Net Proceeds to Company
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Instructions:

1. If applicant is a member of an affiliate group, provide a separate schedule showing the above data for the parent company.

COMPANY NAME

Form 4b

Case No. 8734

Quarterly and Annual Common Stock Information
For the Periods as Shown

<u>Period</u>	<u>Average No. of Shares Outstanding</u>	<u>Book Value</u>	<u>Earnings per Share</u>	<u>Dividend Rate Per Share</u>	<u>Return on Average Common Equity</u>
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5th Calendar Year:

1st Quarter
2nd Quarter
3rd Quarter
4th Quarter
Annual

4th Calendar Year:

1st Quarter
2nd Quarter
3rd Quarter
4th Quarter
Annual

3rd Calendar Year:

1st Quarter
2nd Quarter
3rd Quarter
4th Quarter
Annual

2nd Calendar Year:

1st Quarter
2nd Quarter
3rd Quarter
4th Quarter
Annual

1st Calendar Year:

1st Quarter
2nd Quarter
3rd Quarter
4th Quarter
Annual

Latest Available Quarter

Instructions:

1. Report annual returns only.
2. If applicant is a member of an affiliate group, provide a separate schedule showing the above data for the parent company.

COMPANY NAME

Case No. 8734

Common Stock - Market Price Information

Item	January	February	March	April	May	June	July	August	September	October	November	December
	MONTH											
5th Year:												
Monthly High												
Monthly Low												
Monthly Closing Price												
4th Year:												
Monthly High												
Monthly Low												
Monthly Closing Price												
3rd Year:												
Monthly High												
Monthly Low												
Monthly Closing Price												
2nd Year:												
Monthly High												
Monthly Low												
Monthly Closing Price												
1st Year												
Monthly High												
Monthly Low												
Monthly Closing Price												
Months to Date of Filing:												
Monthly High												
Monthly Low												
Monthly Closing Price												

Instructions:

1. Indicate all stock splits by date and type.
2. If applicant is a member of an affiliate group, provide in a separate schedule the above data for the parent company.

Company Name

Case No. 8734

Computation of Fixed Charge Coverage Ratios
For the Periods as Shown

No.	Item	10th Calendar Year		9th Calendar Year		8th Calendar Year		7th Calendar Year		6th Calendar Year	
		SEC Method	Bond or Mortg. Indenture Requirement	SEC Method	Bond or Mortg. Indenture Requirement	SEC Method	Bond or Mortg. Indenture Requirement	SEC Method	Bond or Mortg. Indenture Requirement	SEC Method	Bond or Mortg. Indenture Requirement

Net Income
Additions:
Itemize

Total Additions
Deductions:
Itemize

Total Deductions
Income Available for
fixed charge coverage
Fixed Charges
Fixed Charge Coverage
Ratio

COMPANY NAME

Case No. 8734

Computation of Fixed Charge Coverage Ratios
for the Periods as Shown

No.	Item	5th Calendar Year		4th Calendar Year		3rd Calendar Year		2nd Calendar Year		1st Calendar Year		Test Year	
		SEC Method	Bond or Mortg. Indenture Require- ment	SEC Method	Bond or Mortg. Indenture Require- ment	SEC Method	Bond or Mortg. Indenture Require- ment	SEC Method	Bond or Mortg. Indenture Require- ment	SEC Method	Bond or Mortg. Indenture Require- ment	SEC Method	Bond or Mortg. Indenture Require- ment
<p>Net Income</p> <p>Additions:</p> <p>Itemize</p>													
<p>Total Additions</p> <p>Deductions:</p> <p>Itemize</p>													
<p>Total Deductions</p>													
<p>Income Available for fixed charge coverage</p>													
<p>Fixed Charges</p>													
<p>Fixed Charge Coverage Ratio</p>													

COMPANY NAME

Case No. 8734

Summary of Customer Deposits

Kentucky Only

12 Months Ended _____

<u>Line</u> <u>No.</u>	<u>Month</u> (a)	<u>Receipts</u> (b)	<u>Refunds</u> (c)	<u>Balance</u> (d)
1.	Month Preceding Test Year			
2.	1st Month			
3.	2nd Month			
4.	3rd Month			
5.	4th Month			
6.	5th Month			
7.	6th Month			
8.	7th Month			
9.	8th Month			
10.	9th Month			
11.	10th Month			
12.	11th Month			
13.	12th Month			
14.	Total (Sum of L1 through L13)			
15.	Average balance (L14 ÷ 13)			
16.	Amount of deposits received during test period			
17.	Amount of deposits refunded during test period			
18.	Number of deposits on hand end of test year			
19.	Average amount of deposit (L15, Column (d) ÷ L18)			
20.	Interest paid during test period			
21.	Interest accrued during test period			
22.	Interest rate			

Kentucky Power

Commonwealth of Kentucky

Case No. 8734

COMPARISON OF TEST YEAR ACCOUNT BALANCES WITH THOSE OF THE
PRECEDING YEAR

[illegible]

Kentucky Power

Case No. 8734

ANALYSIS OF SALARIES AND WAGES

For the Calendar Years 1977 Through 1981
And the 12-Month Period Ending

(000's)

12 Months Ended														Test Year
Calendar Years Prior to Test Year														
5th		4th		3rd		2nd		1st						
Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	
(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)			

1. Wages charged to expense:
2. Power production expense
3. Transmission expenses
4. Distribution expenses
5. Customer accounts expense
6. Sales expenses
7. Administrative and general expenses:
 - (a) Administrative and general salaries
 - (b) Office supplies and expense
 - (c) Administrative expense transferred-cr.
 - (d) Outside services employed
 - (e) Property insurance
 - (f) Injuries and damages

12 Months Ended

Line No.	Item (a)	Calendar Years Prior to Test Year										Test Year	
		5th		4th		3rd		2nd		1st		Year	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)

7. Administrative and general expenses (continued):

- (g) Employee pensions & benefits
- (h) Franchise requirements
- (i) Regulatory Commission expense
- (j) Duplicate charges-Cr. Miscellaneous general expense
- (k) Rents
- (l) Maintenance of general plant

8. Total administrative & general expenses L7(a) through L7(m)

9. Total Salaries and wages charged expense (L2 through L6 + L8)

10. Wages capitalized

11. Total of salaries and wages

12. Ratio of salaries and wages charged expense to total wages (L9 ÷ L11)

13. Ratio of salaries and wages capitalized to total wages (L10 + L11)

NOTE: Show percent increase of each year over the prior year in Columns (c), (e), (g), (i), (k), and (m).

Kentucky Power Company

Case Number 8734

RECONCILIATION OF BOOK NET INCOME AND FEDERAL TAXABLE INCOME

12 Months Ended

Line No.	Item (a)	Total Company (b)	Total Company Non-operating (c)	Total Company Electric (d)	Kentucky Retail Power (e)	Other Retail Jurisdictions (f)	FPC Wholesale (g)
-------------	-------------	-------------------------	--	-------------------------------------	------------------------------------	---	-------------------------

1. Net income per books
2. Add income taxes
3. A. Federal income tax - Current
4. B. Federal income tax deferred - depreciation
5. C. Federal income tax deferred - Other
6. D. Investment tax credit adjustment
7. E. Federal income taxes charged to other income and deductions
8. F. State income taxes
9. G. State income taxes charged to other income and deductions
10. Total
11. Flow through items:
12. Add (itemize)
13. Deduct (itemize)
14. Book taxable income
15. Difference between book taxable income and taxable income per tax return:
16. Add (itemize)
17. Deduct (itemize)
18. Taxable income per return

NOTE: (1) Provide a calculation of the amounts shown on lines 3 and 7 above.
 (2) Provide work papers showing the calculation of straight-line tax depreciation and accelerated tax depreciation and all other work papers in support of the calculation of Federal income tax expense.
 (3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.

Kentucky Power Company

Case No. 8734

ANALYSIS OF OTHER OPERATING TAXES-Electric

12 Months Ended

(000's)

<u>Line No.</u>	<u>Item (a)</u>	<u>Charged Expense (b)</u>	<u>Charged to Construction (c)</u>	<u>Charged to Other Accounts 1/ (d)</u>	<u>Amount Accrued (e)</u>
1.	Kentucky Retail:				
	(a) State Income				
	(b) Franchise Fees				
	(c) Ad Valorem				
	(d) Payroll (employers Portion)				
	(e) Other Taxes				
2.	Total Kentucky Retail (L 1 (a) through L 1 (e))				
3.	Other Jurisdictions				
	Total per Books (L 2 and L 3)				
	Explain items in this column.				

Kentucky Power Company

Case No. 8734

NET INCOME PER 1000 KWH SOLD

For the Calendar Year 1977 through 1981
And for the 12 Months Ended
(Total Company)
(000's)

Line No.	Item (a)	12 Months Ended					Test Year (g)
		Calendar Years					
		Prior to Test Year					
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	
1.	<u>Operating Income</u>						
2.	Operating revenues						
3.	<u>Operating Income Deductions</u>						
4.	Operation and maintenance expenses:						
5.	Fuel						
6.	Other power production expenses						
7.	Transmission expenses						
8.	Distribution expenses						
9.	Customer accounts expense						
10.	Sales expense						
11.	Administrative and general expense						
12.	Total (L5 through L11)						
13.	Depreciation expenses						
14.	Amortization of utility plant acquisition adjustment						
15.	Taxes other than income taxes						
16.	Income taxes - Federal						
17.	Income taxes - other						
18.	Provision for deferred income taxes						
19.	Investment tax credit adjustment - net						
20.	Total utility operating expenses						
21.	Net utility operating income						
22.	<u>Other Income and Deductions</u>						
23.	Other income:						
24.	Allowance for funds used during construction						
25.	Miscellaneous nonoperating income						
26.	Total other income						
27.	Other income deductions:						
28.	Miscellaneous income deductions						
29.	Taxes applicable to other income and deductions:						
30.	Income taxes and investment tax credits						
31.	Taxes other than income taxes						
32.	Total taxes on other income and deductions						
33.	Net other income and deductions						

Kentucky Power Company

Case No. 8734

NET INCOME PER 1000 KWH SOLD

For the Calendar Year 1977 through 1981

And for the 12 Months Ended

(Total Company)

(000's)

Line No.	Item (a)	12 Months Ended					Test Year (g)
		Calendar Years					
		Prior to Test Year					
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	
34.	<u>Interest Charges</u>						
35.	Interest on long-term debt						
36.	Amortization of debt expense						
37.	Other interest expense						
38.	Total interest charges						
39.	Net income						
40.	1000 KWH sold						

Kentucky Power Company

Case No. 8734

COMPARATIVE OPERATING STATISTICS

For the Calendar Years 1977 Through 1981
and the 12-Month Period Ended

(Total Company)

[illegible]

Line No.	Item (a)	12 Months Ended									
		Calendar Years Prior to Test Year									
		5th	4th	3rd	2nd	1st	Test Year				
		<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>Cost</u>	<u>Inc.</u>	<u>Cost</u>	<u>Inc.</u>	<u>%</u>
		(a)	(b)	(a)	(b)	(a)	(a)	(b)	(a)	(b)	(a)

Purchased Power:
Per 1000 KWH Purchased

19. Rents:
20. Per \$100 of average gross
plant in service

21. Property Taxes:
22. Per average \$100 of average gross (net)
plant in service

23. Payroll Taxes:
24. Per average number of employees
whose salary is charged to expense
25. Per average salary of employees
whole salary is charged to expense
26. Per 1000 KWH sold

27. Interest Expense:
28. Per \$100 of average debt outstanding
29. Per \$100 of average plant investment
30. Per \$100 KWH sold

Kentucky Power Company

Case No. 8734

AVERAGE ELECTRIC PLANT IN SERVICE BY ACCOUNT PER 1000 KWH SOLD

For the Calendar Year 1977 Through 1981 and the Test Year Ended

(Total Company)

Account Number	Title of Accounts (a)	12 Month Ended					
		Calendar Years Prior to Test Year					Test Year
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	
301	<u>Intangible Plant</u> Organization						
310	<u>Steam Production Plant</u> Land and land rights						
311	Structures and improvements						
312	Boiler plant equipment						
314	Turbogenerator units						
315	Accessory electric equipment						
316	Miscellaneous power plant equipment						
106	Completed construction - not classified						
	Total steam production plant						
330	<u>Hydraulic Production Plant</u> Land and land rights						
331	Structures and improvements						
332	Reservoirs, dams and waterways						
333	Water wheels turbines and generators						
336	Accessory electric equipment						
336	Miscellaneous power plant equipment						
106	Roads, railroads and bridges						
	Completed construction - not classified						
	Total hydraulic production plant						

Account
Number

Title of Accounts

(a)

12 Month Ended					
5th	4th	3rd	2nd	1st	Test
(b)	(c)	(d)	(e)	(f)	Year
Calendar Years Prior to Test Year					

Other Production Plant

340 Land and land rights
341 Structures and improvements
Fuel holders, producers and accessories
Prime movers
Generators
Accessory electric equipment
Miscellaneous power plant equipment
Completed construction - not classified
Total other production plant
Total production plant

Transmission Plant

350 Land and land rights
352 Structures and improvements
353 Station equipment
354 Towers and fixtures
355 Poles and fixtures
356 Overhead conductors and devices
357 Underground conduit
358 Underground conductors and devices
359 Roads and trails
106 Completed construction - not classified
Total transmission plant

Distribution Plant

360 Land and land rights
361 Structures and improvements
362 Station equipment
Poles, towers and fixtures
Overhead conductors and devices
Underground conduit
Underground conductors and devices
Line transformers
Services
Meters
Installations on customers' premises
Leased property on customers' premises
Street lighting and signal systems
Completed construction - not classified
Total distribution plant

Account
Number

Title of Accounts
(a)

380	General Plant
392	Land and land rights
393	Structures and improvements
394	Office furniture and equipment
395	Transportation equipment
396	Stores equipment
397	Tools, shop and garage equipment
398	Laboratory equipment
399	Power operated equipment
106	Communication equipment
	Miscellaneous equipment
	Other tangible property
	Completed construction - not classified
100.1	Total general plant
	Total electric plant in service

1000 KWH Sold

Format 22
Sheet 3 of 3

12 Month Ended					
Calendar Years Prior to Test Year					
5th	4th	3rd	2nd	1st	Test
(b)	(c)	(d)	(e)	(f)	Year

Kentucky Power Company

Case No. 8734

STATEMENT OF ELECTRIC PLANT IN SERVICE

12 Months Ended

(Total Company)

Account Number	Title of Accounts (a)	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Ending Balance (f)
301	<u>Intangible Plant</u> Organization					
	<u>Steam Production Plant</u>					
310	Land and land rights					
311	Structures and improvements					
312	Boiler plant equipment					
314	Turbogenerator units					
315	Accessory electric equipment					
316	Miscellaneous power plant equipment					
106	Completed construction - not classified					
	Total steam production plant					
	<u>Hydraulic Production Plant</u>					
330	Land and land rights					
331	Structures and improvements					
332	Reservoirs, dams and waterways					
333	Water wheels turbines and generators					
335	Accessory electric equipment					
336	Miscellaneous power plant equipment					
106	Roads, railroads and bridges					
	Completed construction - not classified					
	Total hydraulic production plant					

Account Number	Title of Accounts	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Ending Balance (f)
	<u>Other Production Plant</u>					
340	Land and land rights					
341	Structures and improvements					
342	Fuel holders, producers and accessories					
	Prime movers					
	Generators					
345	Accessory electric equipment					
346	Miscellaneous power plant equipment					
106	Completed construction - not classified					
	Total other production plant					
	<u>Total production plant</u>					
	<u>Transmission Plant</u>					
350	Land and land rights					
352	Structures and improvements					
353	Station equipment					
354	Towers and fixtures					
355	Poles and fixtures					
356	Overhead conductors and devices					
357	Underground conduit					
358	Underground conductors and devices					
359	Roads and trails					
106	Completed construction - not classified					
	Total transmission plant					
	<u>Distribution Plant</u>					
360	Land and land rights					
361	Structures and improvements					
362	Station equipment					
	Poles, towers and fixtures					
365	Overhead conductors and devices					
366	Underground conduit					
367	Underground conductors and devices					
368	Line transformers					
369	Services					
370	Meters					
371	Installations on customers' premises					
372	Leased property on customers' premises					
373	Street lighting and signal systems					
106	Completed construction - not classified					
	Total distribution plant					

Account Number	Title of Accounts (a)	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Ending Balance (f)
	<u>General Plant</u>					
38	Land and land rights					
39	Structures and improvements					
391	Office furniture and equipment					
392	Transportation equipment					
393	Stores equipment					
394	Tools, shop and garage equipment					
395	Laboratory equipment					
396	Power operated equipment					
397	Communication equipment					
398	Miscellaneous equipment					
399	Other tangible property					
106	Completed construction - not classified					
	Total general plant					
100.1	Total electric plant in service					
	1000 KWH Sold					

Kentucky Power Company

Case No. 8734

ACCOUNT 913 - ADVERTISING EXPENSE

For the 12 Months Ended

<u>Line</u> <u>No.</u>	<u>Item</u> <u>(a)</u>	<u>Sales or</u> <u>Promotional</u> <u>Advertising</u> <u>(b)</u>	<u>Institutional</u> <u>Advertising</u> <u>(c)</u>	<u>Conservation</u> <u>Advertising</u> <u>(d)</u>	<u>Rate</u> <u>Case</u> <u>(e)</u>	<u>Other</u> <u>(f)</u>	<u>Total</u> <u>(g)</u>
1.	Newspaper .						
2.	Magazines and Other						
3.	Television						
4.	Radio						
5.	Direct Mail						
6.	Sales Aids						
7.	Total						

Kentucky Power Company

Case No. 8734

ACCOUNT 930 - MISCELLANEOUS GENERAL EXPENSES

For the 12 Months Ended

(Total Company)

(000's)

<u>Line No.</u>	<u>Item (a)</u>	<u>Amount (b)</u>
1.	Industry Association Dues	
2.	Stockholder and Debt Servicing Expenses	
3.	Institutional Advertising	
4.	Conservation Advertising	
5.	Rate Department Load Studies	
6.	Director's Fees and Expenses	
7.	Dues and Subscriptions	
8.	Miscellaneous	
9.	Total	
10.	Amount Assigned to Kentucky	

Kentucky Power Company

Case Number 8734

ACCOUNT 426 - MISCELLANEOUS INCOME DEDUCTIONS

For the 12 Months Ended

<u>Line</u> <u>No.</u>	<u>Item</u> <u>(a)</u>	<u>Amount</u> <u>(b)</u>
1.	Donations	
2.	Civic Activities	
3.	Political Activities	
4.	Other	
5.	Total	

Kentucky Power Company

Case No. 8734

ANALYSIS OF INVESTMENT
in Franklin Real Estate Company
& Indiana Franklin Realty, Inc.
For the Twelve Months Ending

<u>Investment</u>	<u>Date of</u> <u>Initial</u> <u>Investment</u>	<u>Book Cost</u> <u>Beginning</u> <u>of</u> <u>Year</u>	<u>Purchases</u> <u>or</u> <u>Additions</u> <u>During</u> <u>Year</u>	<u>Sales</u> <u>or Other</u> <u>Dispositions</u> <u>During Year</u>	<u>Book Cost</u> <u>End of</u> <u>Year</u>	<u>Gain or</u> <u>Loss from</u> <u>Investment</u> <u>Disposal</u>
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Kentucky Power Company
Commonwealth of Kentucky

Case No. 8734

AVERAGE RATES OF RETURN

12 Months Ended

<u>Line No.</u>	<u>Calendar Years Prior to Test Year</u> (a)	<u>Electric Department</u> (b)	<u>Gas Department</u> (c)	<u>Total Company</u> (d)
1.	Original Cost Net Investment:			
2.	5th Year			
3.	4th Year			
4.	3rd Year			
5.	2nd Year			
6.	1st Year			
7.	Test Year			
8.	Original Cost Common Equity:			
9.	5th Year			
10.	4th Year			
11.	3rd Year			
12.	2nd Year			
13.	1st Year			
14.	Test Year			

NOTE: Provide work papers in support of the above calculations.

COMPANY NAME

Case No. 8734

Schedule of Number of Employees, Hours Per Employee, And
Average Wages Per Employee

Calendar Years	Prior to Test Year	Production			Transmission			Distribution			Customer Accounts			Sales			Administrative and General			Construction			Total		
		No.	Hrs.	Wages	No.	Hrs.	Wages	No.	Hrs.	Wages	No.	Hrs.	Wages	No.	Hrs.	Wages	No.	Hrs.	Wages	No.	Hrs.	Wages	No.	Hrs.	Wages
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)

5th Year

% Change

4th Year

% Change

3rd Year

% Change

2nd Year

% Change

1st Year

% Change

Test Year

% Change

Instructions:

1. Where an employee's wages are charged to more than one function include employee in function receiving largest portion of total wages.
2. Show percent increase (decrease) of each year over the prior year on lines designated "% Change."
3. Employees, weekly hours per employee, and weekly wages per employee for the week including December 31 of each year and the last day of the test year.

Kentucky Power Company
Case No. 8734
Professional Service Expenses
For the Twelve Months Ended

<u>Line No.</u>	<u>Item</u>	<u>Rate Case</u>	<u>Annual Audit</u>	<u>Other</u>	<u>Total</u>
1.	Legal				
2.	Engineering				
3.	Accounting				
4.	Other				
5.	Total				